

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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In re:	:	
	:	Case No. 01-1139 (KJC)
W. R. GRACE & CO., <i>et al.</i> , <sup>1</sup>	:	
	:	Jointly Administered
Debtors.	:	
	:	Objection Date: July 11, 2014, at 4:00 p.m.
	:	Hearing Date: October 14, 2014 at 10:00 a.m.
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**FINAL APPLICATION<sup>2</sup>  
OF LATHAM & WATKINS LLP  
FOR COMPENSATION AND FOR REIMBURSEMENT OF  
EXPENSES FOR DECEMBER 1, 2003 THROUGH JULY 31, 2008**

Name of Applicant:	Latham & Watkins LLP ("L&W")
Authorized to Provide Professional Services to:	Debtors and Debtors in Possession
Date of Retention:	Retention Order entered June 16, 2004, effective <i>nunc pro tunc</i> to April 2, 2001, Order Authorizing Expansion of Retention entered March 27, 2006
Period for which Compensation and Reimbursement is Sought:	December 1, 2003 through July 31, 2008
Amount of Compensation Sought as Actual Reasonable and Necessary:	\$748,745.20

<sup>1</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-I Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace I-I-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, and H-G Coal Company.

<sup>2</sup> The expenses and fees requested for approval in this Final Fee Application were approved in monthly and interim fee applications filed with the Court between June 16, 2004 and December 1, 2008.

Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$19,992.80
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This is a:     \_\_\_ monthly     \_\_\_ quarterly     \_\_\_ interim       X   final application

**PRIOR MONTHLY APPLICATIONS FILED**

<b>Date Filed</b>	<b>Period Covered</b>	<b>Requested Fees</b>	<b>Requested Expenses</b>	<b>Approved Fees</b>	<b>Approved Expenses</b>
On or about August 9, 2004	December 2003 – June 2004	\$211,719.00	\$6,927.50	All fees approved	\$6,897.50
On or about August 25, 2004	July 1, 2004 – July 31, 2004	\$11,334.50	\$201.32	All fees approved	All expenses approved
On or about October 25, 2004	August 1, 2004- August 31, 2004 and September 1, 2004- September 30, 2004	\$81,729.50 <sup>3</sup>	\$5,199.44	All fees approved	All expenses approved
On or about November 25, 2004	October 1, 2004 – October 31, 2004	\$45,050.00	\$1,825.59	All fees approved	All expenses approved
On or about December 25, 2004	November 1, 2004 – November 30, 2004	\$31,913.50	\$1,509.91	All fees approved	All expenses approved
On or about January 25, 2005	December 1, 2004 – December 31, 2004	\$26,177.50	\$1,282.35	All fees approved	All expenses approved
On or about February 25, 2005	January 1, 2005 – January 31, 2005	\$23,485.50	\$314.93	All fees approved	All expenses approved
On or about March 25, 2005	February 1, 2005 – February 28, 2005	\$22,065.00	\$628.01	All fees approved	All expenses approved
On or about May 24, 2005	March 1, 2005 – March 31, 2005	\$39,952.00	\$160.88	All fees approved	All expenses approved
On or about May 26, 2005	April 1, 2005 – April 30, 2005	\$33,385.50	\$593.50	All fees approved	All expenses approved
On or about July 8, 2005	May 1, 2005 – May 31, 2005	\$15,799.50	\$956.63	All fees approved	All expenses approved
On or about August 9, 2005	June 1, 2005 – June 30, 2005	\$3,343.00	\$332.11	All fees approved	All expenses approved

<sup>3</sup> \$11,334.50 earned by L&W during July 2004 was erroneously included in the monthly fee applications for both July 2004 and August 2004. Based on its books and records, L&W believes that the Debtors were not invoiced for such duplicative amount and L&W has not received any funds in excess of \$11,334.50 on account of services provided in July 2004.

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
On or about September 19, 2005	July 1, 2005 – July 31, 2005	\$1,392.00	\$8.93	All fees approved	All expenses approved
On or about October 10, 2005	August 1, 2005 – August 31, 2005	\$698.50	\$39.03	All fees approved	All expenses approved
On or about October 26, 2005	September 1, 2005 – September 30, 2005	\$736.50	\$5.32	All fees approved	All expenses approved
On or about December 28, 2005	October 1, 2005 – October 31, 2005	\$689.00	\$9.34	All fees approved	All expenses approved
On or about January 13, 2006	November 1, 2005 – November 30, 2005	\$73.50	\$6.45	All fees approved	All expenses approved
On or about October 20, 2006	June 1, 2006 – June 30, 2006	\$16,407.50	\$0.00	All fees approved	All expenses approved
On or about October 20, 2006	July 1, 2006 – July 31, 2006	\$16,122.50	\$35.61	All fees approved	All expenses approved
On or about October 20, 2006	August 1, 2006 – August 31, 2006	\$13,317.50	\$6.18	All fees approved	All expenses approved
On or about October 20, 2006	September 1, 2006 – September 31, 2006	\$3,347.00	\$4.79	All fees approved	All expenses approved
On or about March 5, 2007	October 1, 2006 – October 31, 2006	\$2,571.00	\$4.34	All fees approved	All expenses approved
On or about March 5, 2007	November 1, 2006 – November 30, 2006	\$2,862.50	\$0.00	All fees approved	All expenses approved
On or about March 30, 2007	December 1, 2006 – December 31, 2006	\$2,332.50	\$0.00	All fees approved	All expenses approved
On or about March 30, 2007	January 1, 2007 – January 31, 2007	\$2,651.00	\$0.00	All fees approved	All expenses approved
On or about March 30, 2007	February 1, 2007 – February 28, 2007	\$11,678.00	\$0.00	All fees approved	All expenses approved

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
On or about July 18, 2007	March 1, 2007 – March 31, 2007	\$17,766.00	\$27.59	All fees approved	All expenses approved
On or about July 18, 2007	April 1, 2007 – April 30, 2007	\$10,324.50	\$93.62	All fees approved	All expenses approved
On or about July 18, 2007	May 1, 2007 – May 31, 2007	\$2,159.50	\$7.03	All fees approved	All expenses approved
On or about October 12, 2007	June 1, 2007 – June 30, 2007	\$13,997.00	\$1.86	All fees approved	All expenses approved
On or about October 12, 2007	August 1, 2007 – August 31, 2007	\$1,433.00	\$0.00	All fees approved	All expenses approved
On or about February 25, 2008	September 1, 2007 – September 31, 2007	\$3,565.00	\$0.00	All fees approved	All expenses approved
On or about February 25, 2008	October 1, 2007 – October 31, 2007	\$11,402.00	\$0.00	All fees approved	All expenses approved
On or about February 25, 2008	November 1, 2007 – November 30, 2007	\$17,885.50	\$0.00	All fees approved	All expenses approved
On or about February 25, 2008	December 1, 2007 – December 31, 2007	\$1,860.00	\$0.00	All fees approved	All expenses approved
On or about May 15, 2008	January 1, 2008 – January 31, 2008	\$8,335.00	\$0.47	All fees approved	All expenses approved
On or about May 15, 2008	February 1, 2008 – February 29, 2008	\$6,402.50	\$0.00	All fees approved	All expenses approved
On or about May 15, 2008	March 1, 2008 – March 31, 2008	\$7,828.50	\$0.00	All fees approved	All expenses approved
On or about June 16, 2008	April 1, 2008 – April 30, 2008	\$33,367.50	\$0.00	All fees approved	All expenses approved
On or about October 8, 2008	June 1, 2008 – June 30, 2008	\$5,750.00	\$0.00	All fees approved	All expenses approved

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
Total: <sup>4</sup>		\$762,909.50	\$20,152.73		

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<sup>4</sup> This total amounts to \$783,062.23 in the aggregate and includes all fees and expenses that were requested in prior monthly fee applications. Based on its books and records, L&W believes it has invoiced the Debtors for a total amount of \$769,846.80 on account of fees earned and expenses incurred in connection with services performed during the period of December 1, 2003 through July 31, 2008. A number of attorneys who performed these services are no longer with the firm. However, based on its books and records, L&W believes the discrepancy between the fees and expenses requested in the prior fee applications and the fees and expenses invoiced is due in part to the duplicative request described in footnote 3 for the amount of \$11,334.50, which was erroneously included in the August 2004 monthly fee application but was not invoiced to the Debtors. After accounting for such amount, L&W has determined that an additional \$1,880.93 was requested in L&W's prior fee applications but was not invoiced to the Debtors. L&W is in the process of reconciling its records at this time and is not currently seeking payment of such amount. However, L&W reserves the right to seek payment of any outstanding amounts pursuant to the procedures set forth herein.

**PRIOR INTERIM FEE APPLICATIONS FILED**

<b>Date Filed</b>	<b>Period Covered</b>	<b>Requested Fees</b>	<b>Requested Expenses</b>	<b>Approved Fees</b>	<b>Approved Expenses</b>
On or about February 4, 2005	July 1, 2004 – September 30, 2004	\$93,064.00 <sup>5</sup>	\$5,400.76	All fees approved	All expenses approved
On or about May 19, 2005	October 1, 2004 – December 31, 2004	\$103,141.00	\$4,617.85	All fees approved	All expenses approved
On or about May 24, 2005	January 1, 2005 – March 31, 2005	\$85,502.50	\$1,103.82	All fees approved	All expenses approved
On or about August 9, 2005	April 1, 2005 – June 30, 2005	\$52,528.00	\$1,882.24	All fees approved	All expenses approved
On or about October 26, 2005	July 1, 2005 – September 30, 2005	\$2,827.00	\$53.28	All fees approved	All expenses approved
On or about March 7, 2007	June 1, 2006 – September 30, 2006	\$49,194.50	\$46.58	All fees approved	All expenses approved
On or about May 31, 2007	October 1, 2006 – December 31, 2006	\$7,766.00	\$4.34	All fees approved	All expenses approved
On or about August 24, 2007	January 1, 2007 – March 31, 2007	\$32,095.00	\$31.16	All fees approved	All expenses approved
On or about November 20, 2007	April 1, 2007 – June 30, 2007	\$26,461.00	\$69.57	All fees approved	All expenses approved
On or about June 2, 2008	July 1, 2007 – September 30, 2007	\$4,998.00	\$0.00	All fees approved	All expenses approved
On or about June 2, 2008	October 1, 2007 – December 31, 2007	\$31,147.50	\$0.00	All fees approved	All expenses approved
On or about June 16, 2008	January 1, 2008 – March 31, 2008	\$22,566.00	\$ .47	All fees approved	All expenses approved

<sup>5</sup> The interim fee application for July 2004 – September 2004 erroneously includes duplicative charges for \$11,334.50 earned by L&W during July 2004. Based on its books and records, L&W believes that the Debtors were not invoiced for such duplicative amount and L&W has not received any funds in excess of \$11,334.50 on account of services provided in July 2004.

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
On or about November 14, 2008	April 1, 2008 – June 30, 2008	\$39,118.00	\$0.00	All fees approved	All expenses approved



**TASK CODE SUMMARY**

<b>Matter Number</b>	<b>Total Hours Billed</b>	<b>Total Compensation</b>	<b>Total Expenses</b>
029016-0001	1,118.9	\$495,155.00	\$18,145.68
029016-0003	193.7	\$42,084.00	\$1,277.11
042362-0000	317.5	\$192,664.50	\$561.17
042362-0001	43.1	\$19,950.50	\$8.80
<b>Total:</b>	<b>1,673.2</b>	<b>\$749,854.00<sup>6</sup></b>	<b>\$19,992.76<sup>7</sup></b>

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<sup>6</sup> L&W has written off a total of \$1,118.20 in fees and expenses, including \$1,108.80 on account of fees and \$9.40 on account of expenses. The total amount of fees and expenses paid to L&W for the period of December 1, 2003 through July 31, 2008 is \$748,745.20 and \$19,983.40, respectively.

<sup>7</sup> See footnote 6.

**L&W PROFESSIONALS:**

<b>Name</b>	<b>Position/Year Admitted to Bar</b>	<b>Hourly Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Abro, Rita	Associate/2006	\$485.00	19.6	\$9,506.00
Alvelo, Manny	Project Asst	\$107.00	60.5	\$6,368.50
Arnold, Elizabeth	Paralegal	\$245.00	37.8	\$8,903
Bacon, Douglas	Partner/1989	\$550.00	0.7	\$385.00
Banks, Alnieca	Professional Staff	n/a	0.7	\$115.50
Barbosa, Valdir	Associate/2006	\$485.00	4.7	\$2,279.50
Barrett, David	Partner/1988	\$450.00	17.1	\$7,695.00
Barrett, Kimberly	Paralegal	\$140.00	12.4	\$1,736.00
Becker, David	Associate/ 2000, 2004	\$400.00	6.7	\$2,328.00
Bernstein, Stacey	Associate/ 1999, 2000	\$315.00	6.3	\$1,984.50
Bryan, Karen	Partner/1979	\$850.00	0.5	\$425.00
DeNovio, Nicholas	Partner/1988	\$826.00	185.5	\$143,242.50
George, Timothy	Associate/2002, 2006	\$480.00	2.5	\$1,200.00
Goldenberg, Avi	Associate/2003	\$375.00	3.8	\$1,425.00
Gorodetsky, Elena	Professional Staff	\$185.00	13.6	\$2,516.00
Kafka, Gerald	Partner/1982	\$825.00	0.3	\$247.50
Kronsnoble, Joseph	Partner/1991	\$775.00	11.9	\$9,190.50
Lejava, Jeffrey	Associate/1999, 2000	\$402.00	87.9	\$31,427.50
Matthews, Laurie	Other Attorney/1997	\$479.00	598.7	\$275,962.50
McGahren, John	Partner/1992	\$506.00	336.2	\$163,821.50
Moore, John	Summer Clerk	\$275.00	9.9	\$2,722.50
Mulvihill, Daniel	Associate/2002, 2004	\$295.00	54.9	\$16,195.50
Ortega, Kellie	Associate/2004	\$328.00	27.9	\$7,350.50
Raab, David	Partner/1999	\$895.00	1.9	\$1,630.50
Sanchez, Jill	Associate/2008	\$350.00	13.6	\$4,760.00
Savage, Steven	Associate/2004	\$275.00	31.7	\$7,821.50
Stalls, Justin	Associate/2003, 2007	\$380.00	0.6	\$228.00
Stein, Laurence	Partner/1986	\$925.00	2.9	\$2,682.50
Taterka, Bruce	Associate/1993	\$395.00	4.6	\$1,817.00
Tyjer, Sabrina	Paralegal	\$160.00	0.6	\$96.00
Weiner, Samuel	Partner/1987	\$750.00	1.8	\$1,350.00

<sup>8</sup> The hourly rate reflected in this chart is the hourly rate charged during the last year in which the applicable attorney or paraprofessional performed services on these matters.

Name	Position/Year Admitted to Bar	Hourly Rate	Total Hours	Total Fees
Wheeler, Patrick	Associate/2006	\$455.00	67.1	\$24,247.50
Wunderle, Lindsey	Paralegal	\$169.00	47.8	\$8,101.00
Zecchino, Elsie	Analyst	\$185.00	0.5	\$92.50
<b>Total:</b>			<b>1,673.2</b>	<b>\$749,854.00</b>

**Total Fees:** \$749,854.00<sup>9</sup>  
**Total Hours:** 1,673.2  
**Blended Rate:** \$448.15

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<sup>9</sup> See footnote 6.

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	X	
	:	
	:	Chapter 11
W. R. GRACE & CO., <i>et al.</i> , <sup>1</sup>	:	
	:	Case No. 01-1139 (KJC)
	:	
Debtors.	:	Jointly Administered
	:	
	:	Objection Date: July 11, 2014, at 4:00 p.m.
	:	Hearing Date: October 14, 2014 at 10:00 a.m.
	X	

**FINAL APPLICATION OF LATHAM & WATKINS LLP  
FOR COMPENSATION AND REIMBURSEMENT OF  
EXPENSES FOR DECEMBER 1, 2003 THROUGH JULY 31, 2008**

Pursuant to sections 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and the Court’s *Amended Administrative Order Under 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members* [Docket No. 1949] (the “Amended Administrative Order”), amending the Court’s *Administrative Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Allowance and Payment of*

<sup>1</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-I Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace I-I-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Internedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, and H-G Coal Company.

*Monthly Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 198] (the “Administrative Order”), the law firm of Latham & Watkins LLP (“L&W”) hereby files this *Final Application of Latham & Watkins LLP for Compensation and for Reimbursement of Expenses for December 1, 2003 through July 31, 2008* (the “Final Fee Application”).

By this Final Fee Application L&W seeks the final allowance of compensation in the amount of \$748,745.20 and reimbursement of actual and necessary expenses in the amount of \$19,983.40 for a total of \$768,728.60 for the period December 1, 2003 through July 31, 2008 (the “Fee Period”). In support of this Final Fee Application, L&W respectfully represents as follows:

**Background**

1. On April 2, 2001 (the “Petition Date”), each of the Debtors (collectively, the “Debtors”) filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code (the “Chapter 11 Cases”). Since the Petition Date, the U.S. Trustee has appointed the following creditors’ committees: Official Committee of Unsecured Creditors, Official Committee of Asbestos Personal Injury Claimants, and Official Committee of Asbestos Property Damage Claimants (collectively, the “Committees”). No trustee has been appointed in Debtors’ Chapter 11 Cases. The Effective Date of the Debtors’ confirmed plan of reorganization occurred on February 3, 2014 [Docket No. 31732].

2. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

3. On April 2, 2001, the Court entered its order that the Debtors’ Chapter 11 Cases be consolidated for procedural purposes only and administered jointly.

4. On May 3, 2001, the Court entered the Administrative Order establishing procedures for interim compensation and reimbursement of expenses of professionals. The Administrative Order was amended by the Amended Administrative Order on April 17, 2002. Pursuant to the procedures set forth in the Administrative Order and the Amended Administrative Order, professionals were permitted to request monthly compensation and reimbursement, and interested parties were given the opportunity to object to such requests. If no interested party objected to a professional's request within twenty (20) days, the applicable professional was permitted to submit to the Court a certification of no objection authorizing the interim compensation and reimbursement of eighty percent (80%) of the fees requested and 100% of the expenses requested, subject to the filing and approval of interim and final fee applications of the professional. The professional was also required to file quarterly interim fee applications.

5. Prior to its retention in these Chapter 11 Cases, L&W performed legal services for the Debtors and was compensated as a professional in the ordinary course. Beginning with the December 2003 billing cycle, the Debtors ceased remitting monthly payments to L&W due to concerns regarding the aggregate cap on fees governing ordinary course professionals and sought to formally retain L&W as special environmental counsel.

6. By this Court's order dated June 16, 2004 [Docket No. 5823], the Debtors were authorized to retain L&W as Special Environmental Counsel to the Debtors, effective *nunc pro tunc* to the Petition Date (the "L&W Retention Order"). As Special Environmental Counsel, L&W provided certain environmental litigation and strategic legal services primarily related to liabilities in connection with certain historical environmental contamination.

7. By this Court's order dated March 29, 2006 [Docket No. 12145], the Debtors were authorized expand the scope of L&W's retention to include services as Special Tax Counsel to the Debtors (the "Expanded L&W Retention Order"). As Special Tax Counsel, L&W provided general federal tax consulting services.

**Monthly Fee Applications Covered Herein**

8. Prior to the filing of this Final Fee Application, monthly and interim fee applications for the time period of December 1, 2003 through July 31, 2008 had been filed with the Court.

9. As noted in the summary charts included with this Final Fee Application, the total amount of fees and expenses requested in the prior monthly and interim fee applications is \$783,062.23. Based on its books and records, L&W believes it has invoiced the Debtors for a total amount of \$769,846.80<sup>2</sup> on account of fees earned and expenses incurred in connection with services performed during the period of December 1, 2003 through July 31, 2008. A number of attorneys who performed these services are no longer with the firm. However, based on its books and records, L&W believes the discrepancy between the fees and expenses requested in the prior fee applications and the fees and expenses invoiced is due in part to the fact that \$11,334.50 earned during July 2004 was erroneously included in the monthly fee applications for both July 2004 and August 2004.<sup>3</sup> After accounting for such amount, L&W has determined that an additional \$1,880.93 was requested in L&W's prior fee applications but was not invoiced to the Debtors. L&W is in the process of reconciling its records at this time and is not currently

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<sup>2</sup> As noted in the summary charts, L&W has written off a total of \$1,118.20 in fees and expenses, including \$1,108.80 on account of fees and \$9.40 on account of expenses. The total amount of fees and expenses paid to L&W for the period of December 1, 2003 through July 31, 2008 is \$748,745.20 and \$19,983.40, respectively.

<sup>3</sup> Based on its books and records, L&W believes that the Debtors were not invoiced for such duplicative amount and L&W has not received any funds in excess of \$11,334.50 on account of services provided in July 2004.

seeking payment of such amount. However, as noted below, L&W reserves the right to seek payment of any outstanding amounts pursuant to the procedures set forth herein.

10. The monthly fee applications covered by this Final Fee Application contain detailed daily time logs describing the actual and necessary services provided by L&W during the Fee Period as well as other detailed information required to be included in fee applications.

**Requested Relief**

11. By this Final Fee Application, L&W requests that the Court approve the final allowance of compensation for professional services rendered and the reimbursement of actual and necessary expenses incurred by L&W from December 1, 2003 through July 31, 2008. As stated above, the full scope of the services provided and the related expenses incurred are fully described in the monthly fee applications for the Fee Period that already have been filed with the Court. To the extent that L&W has incurred fees and expenses in addition to the foregoing, L&W reserves the right, and respectfully requests that the Court authorize L&W, to file a supplemental fee application(s) by following the interim compensation procedures set forth in the Administrative Order and Amended Administrative Order and submitting a certificate of no objection and order to the Court for final approval of such fees and expenses as may be reflected in any supplemental fee application.

12. At all relevant times, L&W has been a disinterested person as that term is defined in §101(14) of the Bankruptcy Code and has not represented or held an interest adverse to the interest of the Debtors or the Committees.

13. All services for which compensation is requested by L&W were performed for or on behalf of the Debtors and not on behalf of any committee, creditor or other person.



14. L&W has received no payment and no promises for payment from any source other than the Debtors for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Final Fee Application. There is no agreement or understanding between L&W and any other person other than the partners of L&W for the sharing of compensation to be received for services rendered in these cases.

15. The professional services and related expenses for which L&W requests final allowance of compensation and reimbursement of expenses were rendered and incurred in connection with this case in the discharge of L&W's professional responsibilities as attorneys for the Debtors in these Chapter 11 Cases. L&W's services have been necessary and beneficial to the Debtors and their estates, creditors and other parties in interest.

16. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by L&W is fair and reasonable given (a) the complexity of the case, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under the Bankruptcy Code. Moreover, L&W has reviewed the requirements of Del. Bankr. L.R. 2016-2, the Administrative Order and the Amended Administrative Order and believes that this Final Fee Application complies with such Rule and Orders.

WHEREFORE, L&W respectfully requests that the Court enter an order, substantially in the form attached hereto as Exhibit A, providing (i) that for the period of December 1, 2003 through July 30, 2008, a final allowance be made to L&W in the sum of \$748,745.20 as compensation for reasonable and necessary professional services rendered to Debtors and in the sum of \$19,983.40 for reimbursement of actual and necessary costs and expenses incurred, for a total of \$768,728.60, and (ii) for such other and further relief as this Court deems proper.

Dated: May 12, 2014  
Washington, D.C.

Respectfully submitted,



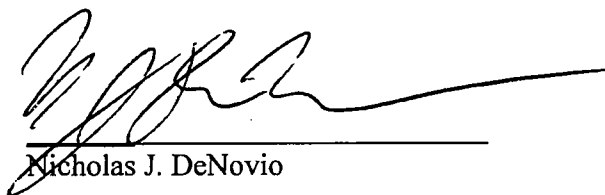
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Email: nicholas.j.denovio@lw.com

*Former Special Counsel to the Debtors*

**VERIFICATION**

Nicholas J. DeNovio, after being duly sworn according to law, deposes and says:

1. I am a partner with the applicant firm, Latham & Watkins LLP.
2. During the period of 2006-2008, I personally performed certain of the legal services rendered by Latham & Watkins LLP as special counsel to the Debtors. Latham & Watkins LLP has records and documentation regarding the work performed on behalf of the Debtors by the lawyers in the firm.
3. I have reviewed the foregoing Final Fee Application and the facts set forth therein are true and correct to the best of my knowledge, information and belief.
4. Latham & Watkins LLP has reviewed the requirements of Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedures of the United States Bankruptcy Court for the District of Delaware and submit that the Final Fee Application substantially complies with such order.



Nicholas J. DeNovio

5/12/14

IN THE DISTRICT OF COLUMBIA     )  
COUNTY OF Washington, D.C.     ) ss.  
   )

On this 12th day of May 2014, before me, Nicholas DeNovio, the undersigned notary public, personally appeared Nicholas DeNovio known personally to me (or on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity and that by his signature on the instrument the entity upon behalf of which the person acted, executed the instrument.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.



Leslie H. Finley  
Notary Public

My commission expires on: 11/14/2017

**LESLIE H. FINLEY**  
**NOTARY PUBLIC DISTRICT OF COLUMBIA**  
**My Commission Expires November 14, 2017**